Nova Scotia Utility and Review Board
Annual Accountability Report
For the Fiscal Year Ended March 31, 2014

Table of Contents

Item Description **Page**

Accountability Statement 3
Introduction 4
Financial Results 4
Measuring Our Performance 5
Supplemental Information 9
Annual Report under Section 18 of the Public Interest Disclosure of Wrongdoing Act .. 12
Appendix A - List of Statutes Containing Board Mandates 13

Accountability Statement

The accountability report of the Nova Scotia Utility and Review Board for the year ended March 31, 2014, is prepared pursuant to the *Finance Act* and government policies and guidelines. These authorities require the reporting of outcomes against the Board's Statement of Mandate for the fiscal year 2013-2014. The reporting of the Board's outcomes necessarily includes estimates, judgements and opinions by management.

We acknowledge that this accountability report is the responsibility of the Board's management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the Board's 2013-2014 Statement of Mandate.

Peter W. Gurnham, QC, Chair

Paul G. Allen, CA, Executive Director

Introduction

This accountability report reflects on progress made in achieving the outcomes set out in the 2013-2014 Statement of Mandate for the Board. The Board recommends that this accountability report be read in conjunction with that Statement of Mandate.

For the 2013-2014 reporting year there were no changes of significance to the Board's mandates.

Financial Results

Nova Scotia Utility & Review Board - Estimated Budget Expenditures				
	Budget 2013-2014	Actual 2013-2014	Variance	See Notes
	000's	000's	000's	
Revenues (non-capital):				
Operating Grant from Province of Nova Scotia	1,990	1,990	-	
Recoveries from utilities and others	3,810	3,739	(71)	
Unbudgeted operations	-	3,951	3,951	1
Total revenues	5,800	9,680	3,880	
Expenditures (non-capital):				
Budgeted	5,800	5,508	(292)	
Unbudgeted operations	-	3,941	3,941	1
Total expenditures	5,800	9,449	3,649	
Net income	-	231	231	
Restricted & unrestricted surplus, beginning of year	1,534	1,534	-	
Restricted & unrestricted surplus, end of year	1,534	1,765	231	2
Funded Members and staff (FTE's)	40	38	(2)	

Notes:

1. Consultants are engaged by the Board to provide advice related to matters such as utility and natural gas operations and to provide expert testimony during hearings. Consulting fees for specific hearings are generally recovered directly from the entities involved. Expenses and

recoveries relating to large hearings cannot be reasonably predicted or estimated in advance, accordingly, no provision is made for these activities in the budget. The Board also recovers certain transcription, copying and other direct expenses from various sources.

2. The complete audited financial statements of the Board are published annually in Part II of the Public Accounts for the Province of Nova Scotia. The 2013-2014 financial statements were prepared in accordance with Canadian Public Sector Accounting Standards as issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

Measuring Our Performance

The core mandate of the Board is to fairly and independently resolve matters. Performance measurement in a quasi-judicial context must be carefully designed due to the "custom" or "unique" nature of many applications and appeals. For example, some hearings require review of large amounts of evidence, involve many parties, and can take a number of months to schedule and complete. Other matters may only require a review of small amounts of evidence and, after scheduling, need only a few days to complete. Activity and speed measures do not equate to quality of decision making or due legal process. Regardless of the type of hearing the primary emphasis must always be on producing an unbiased, timely, fair and legally correct decision.

Desired Outcome:	Independently and fairly resolve matters in a timely fashion.
Measures:	Percentage of hearing decisions issued within target or legislated number of days. Percentage of decisions in relation to interlocutory matters released within 10 business days of final submission.
Targets:	95% or more of hearing decisions released within stated timeline. 100% of decisions released within stated timeline for 60 day planning matters. 95% or more of decisions released within stated timeline for 10 day or interlocutory matters.
What Do these Measures Tell Us?	These measures show how timely the Board is at resolving matters.

Where Are We Now and Reporting on 2013-2014 Targets?

As can be seen from Schedule 1 below there is an overall success rate of 95.0% for all cases (2012-2013: 97.1%). This meets the target set by the Board.

Average decision times by mandate are presented in Schedule 2. Variations in average times can be expected from year to year and with changes in the mandates assigned to the Board. Larger, more complex hearings take more time to decide and cause the average to increase. Conversely, larger numbers of single issue hearings take less time to decide and cause the average to decrease.

The success rate for 90 day matters was down from the preceding year at 94% (2012-2013: 97.3%).

Based on the individual appeals submitted the overall success rate for 60 day matters was down slightly at 96.9% (2012-2013: 97.9%) although still within the target range.

Within the 60 day category the success rate for planning matters was down to 71.4% (2012-2013: 97.9%) although the average writing time remained at 48 days (2012–2013: 48 days).

Certain types of automobile insurance matters have been targeted for decision writing times of 15 days or less. In prior years these types of matters had a 60 or 90 day target time. This year the Board met that target in 81.2% of the matters decided.

The success rate for 10 day matters was 100.0%, which was consistent with the prior year (2012-2013: 100.0%).

Where do we want to be?

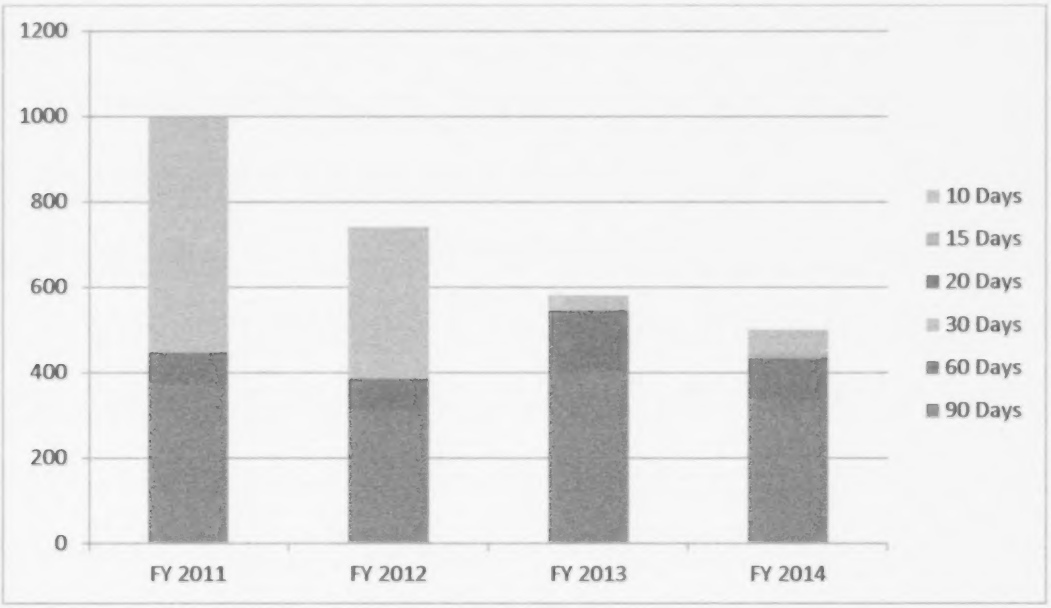
Success is measured against the target writing times for the specific type of matter. Additional targets, as may be established by statute or the Board, may be added in future. At this time we wish to continue to have a success rate that is as high as possible while respecting the primary emphasis of producing an unbiased, timely, fair and legally correct decision. No targets have been set for average times to decision in recognition of the higher priority being placed on fairness and correctness. The information will continue to be monitored and the averages kept as low as possible.

Schedule 1 – Success by Writing Time

Summary results for compliance with policy on decision production times are as follows. (see Note 1 on next page):

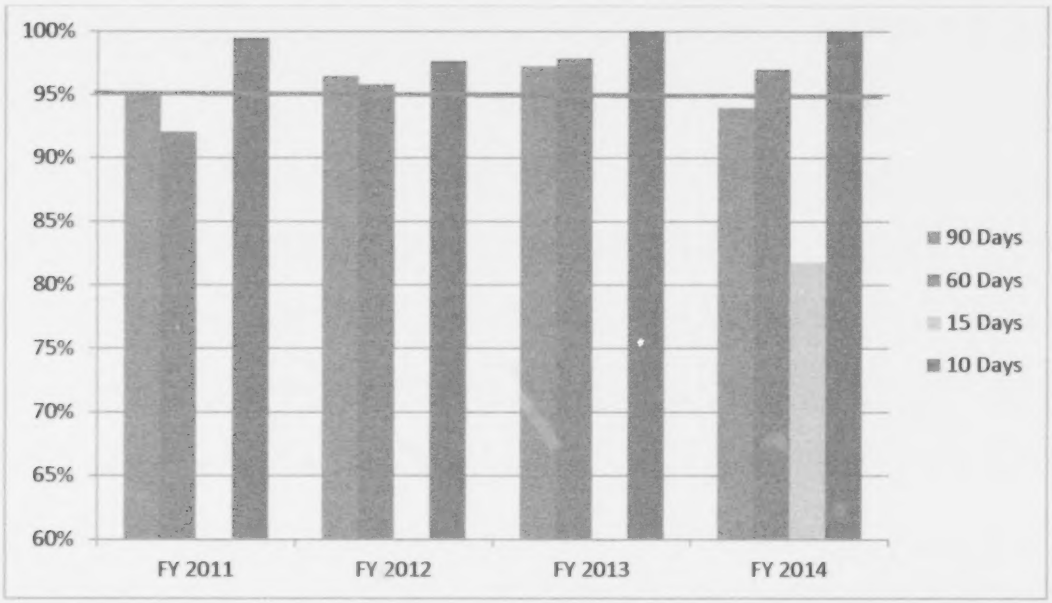
Decision writing targets[1]	2013-2014			2012-2013		
	Number of Matters Decided	Matters Within Standard	Success Rate	Number of Matters Decided	Matters Within Standard	Success Rate
90 days	336	316	94.0%	403	392	97.3%
60 days	99	96	97.0%	143	140	97.9%
30 days	0	0	NA	1	1	100.0%
15 days	11	9	81.8%	0	0	NA
10 days	54	54	100%	33	33	100.0%
Combined	500	475	95.0%	580	563	97.1%

Chart 1 – Comparison of Number of Matters by Writing Time[2]



[1] Decision writing times are measured from the date of receipt of final evidence to the date of issuance of the Decision. 10 day matters are expressed in working days. All others are calendar days.
[2] See notes on next page.

Chart 2 – Comparison of Success Rate by Major Writing Time Categories



Notes:

1. The Board can receive a number of applications or appeals and, for simplicity and efficiency, choose to group them together into one proceeding. Ordinarily only one decision is issued for grouped matters. In past reports grouped matters were counted on an individual application basis. It is felt that a more useful reporting is to count grouped matters as a single matter. Figures for 2013-2014 are prepared on that basis and comparative figures have been restated.

2. The Board overall has been meeting its intended target of releasing 95% or more of decisions within the targeted number of days after receipt of final information.

3. Chart 1 shows that the total number of matters decided by the Board appears to have declined in fiscal 2013-2014. This can be attributed to comparative figures for 2012-2013 which include 68 matters relating to changes in the *Insurance Act*. Setting aside those applications, the overall total for fiscal 2013-2014 is comparable with 2012-2013 with remaining differences being attributed to normal year over year fluctuations.

4. Comparative figures for prior years show two other fundamental shifts in the number of matters by decision writing target. Those are explained as follows:

    a. In fiscal 2011-2012 there were a total of 338 matters relating to the Liquor Licensing mandate. A substantial part of that mandate was transferred to the Alcohol and Gaming Division of Service Nova Scotia and Municipal Relations in early January 2012. By comparison, only five such matters

were dealt with in the 2012-2013 year. A significant portion of Liquor Licensing matters were classified as having a 10 day writing target.

b. During the 2012-2013 fiscal year it was decided to change the classification of some types of insurance matters to 90 day writing targets and to begin measuring the writing time from receipt of the last information provided by the applicant as opposed to completion of analysis by staff or consultants. The intent of the change was to better monitor and shorten the overall processing time by including time for analysis in the writing time period. This change resulted in an increase in the number of 90 day matters and corresponding decrease in other categories.

Supplemental Information

Schedule 2 – Average Writing Time by Matter Type

The following Schedule shows the number of matters or cases decided by type and the average time from receipt of final information from the parties to release of a decision. Figures include all types of matters and do not separate applications or appeals which can be decided without an oral hearing from larger cases requiring one.

Matters are counted by application or appeal received. Some matters can be grouped together and heard at the same time as they relate to the same location or share evidence.

Average decision production times by area of jurisdiction are as follows (continued on following page):

Jurisdiction / Mandate	2013-2014		2012-2013	
	Number of Decisions (all types)	Average Time to Decision (days)[3]	Number of Decisions (all types)	Average Time to Decision (days)
Gaming	11	1	12	4
Liquor	1	122	5	5
Theatre & Amusements	1	1	1	0
Assessment	38	31	30	18
Automobile Insurance	101	15	153[4]	15
Criminal Injury Compensation	1	92	-	NA
Electricity	121	36	136	29
Expropriation Compensation	3	155	2	46
Fire Safety	-	NA	1	23
Heritage Properties	-	NA	-	NA
Halifax-Dartmouth Bridge Commission	-	NA	-	NA
Motor Carrier	68	5	88	4
Municipal & School Board Boundaries	-	NA	8	56
Natural Gas	30	40	35	32
Payday Loans	-	NA	-	NA
Petroleum Product Pricing	53	0	55	1
Planning	14	48	13	48
Railways	-	NA	-	NA
Underground Hydrocarbon Storage	1	98	NA	NA
Water	47	25	29	22
Wastewater	10	24	12	21
Total	500		580	

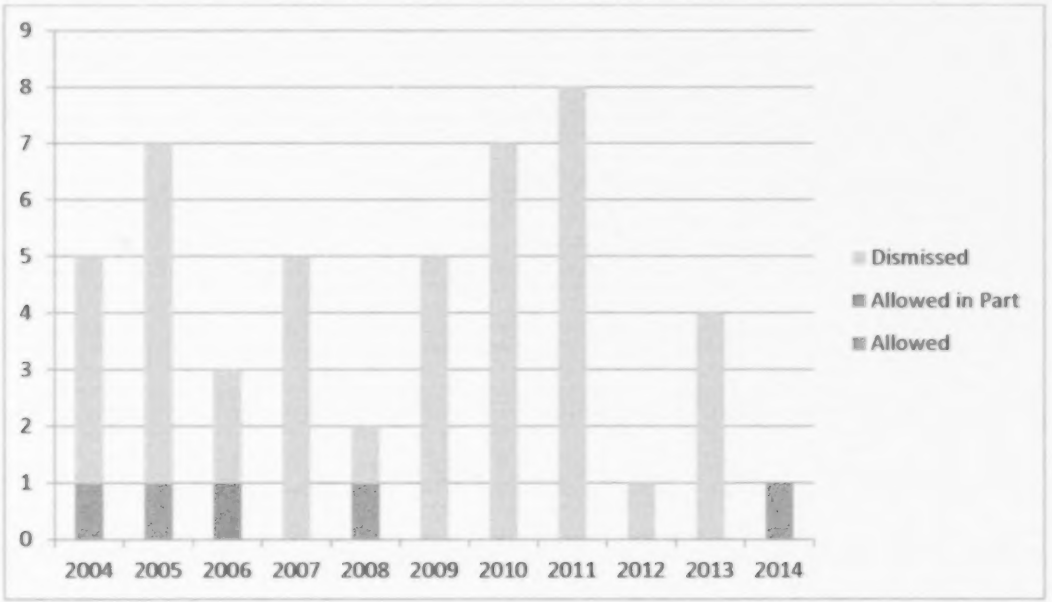
[3] Where the average writing time is "0" all decisions were issued on the same day as the final information was received.

[4] The number of automobile insurance applications was comparatively larger in 2012-2013 due to approximately 68 additional filings relating to reforms made in the *Insurance Act*.

Appeals of Board Orders

Board orders can be appealed to the Nova Scotia Court of Appeal when a party feels the Board has incorrectly applied the law or its authority. Appeals must be filed within 30 days of the date of issuance of the order. The following chart shows the number of appeals relating to Board proceedings decided by the Court of Appeal in the last ten years and the outcome.

Chart 3 – Appeals Decided by Fiscal Year



Key:

"Dismissed" means the Court upheld the Board's decision.
"Allowed in Part" means the Court upheld parts of the Board's decision but overturned others.
"Allowed" means the Court overturned the entire Board decision.

Annual Report under Section 18 of the Public Interest Disclosure of Wrongdoing Act

The *Public Interest Disclosure of Wrongdoing Act* was proclaimed into law on December 20, 2011. The Act provides for employees to be able to come forward if they reasonably believe that a wrongdoing has been committed or is about to be committed and they are acting in good faith. The Act also protects employees who do disclose from reprisals, by enabling them to lay a complaint of reprisal with the Labor Board.

A "wrongdoing" for the purposes of the Act is:

a) a contravention of provincial or federal laws or regulations;

b) a misuse or gross mismanagement of public funds or assets;

c) an act or omission that creates an imminent risk of a substantial and specific danger to the life, health or safety of persons or the environment; or,

d) directing or counselling someone to commit a wrongdoing.

The following is a summary of disclosures received by the Nova Scotia Utility and Review Board for fiscal 2013-2014:

Information Required under Section 18 of the Act	Fiscal Year 2013-2014
The number of disclosures received	0
The number of findings of wrongdoing	Not applicable
Details of each wrongdoing	Not applicable
Recommendations and actions taken on each wrongdoing	Not applicable

Appendix A - List of Statutes Containing Board Mandates

1. *Assessment Act*, R.S.N.S. 1989, c.23 as amended
2. *Consumer Protection Act*, R.S.N.S. 1989, c.92 as amended
3. *Education Act*, S.N.S. 1995-96, c.1 as amended
4. *Electrical Installation and Inspection Act*, R.S.N.S. 1989, c. 141 as amended
5. *Electricity Act*, S.N.S. 2004 c. 25 as amended
6. *Energy Resources Conservation Act*, R.S.N.S., 1989, c.147 as amended
7. *Expropriation Act*, R.S.N.S. 1989, c. 156 as amended
8. *Fire Safety Act*, S.N.S. 2002, c.6
9. *Gaming Control Act* (Part II), S.N.S. 1994-95, c. 4 as amended
10. *Gas Distribution Act*, S.N.S., 1997, c. 4 as amended
11. *Halifax-Dartmouth Bridge Commission Act*, R.S.N.S. 1989, c.192 as amended
12. *Halifax Regional Municipality Charter*, S.N.S. 2008, c.39
13. *Halifax Regional Municipality Water Commission Act*, S.N.S. 1963, c.55 as amended
14. *Heritage Property Act*, R.S.N.S. 1989, c.199 as amended
15. *Insurance Act*, R.S.N.S. 1989, c.231 as amended[5]
16. *Liquor Control Act*, R.S.N.S. 1989, c.260 as amended
17. *Maritime Link Act*, S.N.S. *2012*, c. 9
18. *Motor Carrier Act* (public passenger only), R.S.N.S. 1989, c.292 as amended
19. *Motor Vehicle Transport Act of Canada*, S.C. 1987, c.35 (Federal) as amended
20. *Municipal Government Act*, S.N.S. 1998, c.18 as amended
21. *Nova Scotia Power Finance Corporation Act*, R.S.N.S. 1989, c.351 as amended
22. *Nova Scotia Power Privatization Act*, S.N.S. 1992, c.8 as amended
23. *Petroleum Products Pricing Act*, S.N.S., 2005, c. 11
24. *Petroleum Resources Act*, R.S.N.S. 1989, c. 342 as amended
25. *Petroleum Resources Removal Permit Act*, S.N.S. 1999 c.7 as amended
26. *Pipeline Act*, R.S.N.S. 1989 c. 345 as amended
27. *Public Utilities Act*, R.S.N.S. 1989, c.380 as amended
28. *Railways Act*, S.N.S. 1993, c.11 as amended
29. *Revenue Act*, S.N.S. 1995-96, c.17 as amended
30. *Technical Safety Act*, S.N.S. 2008, c.10[6]
31. *Theatre and Amusement Act*, R.S.N.S. 1989, c. 466 as amended
32. *Underground Hydrocarbons Storage Act*, S.N.S. 2001, c. 37
33. *Utility and Review Board Act*, S.N.S. 1992, c. 11 as amended
34. *Victims' Rights and Services Act*, R.S.N.S. 1989, c.14 as amended

---

[5] Automobile insurance only.
[6] Sections relating to the Board not yet fully proclaimed.